

March 26, 2004

Members of the Commission
West Bloomfield Parks and Recreation Commission
4640 Walnut Lake Road
West Bloomfield, MI 48323

Dear Commission Members:

We have recently completed our audit of the financial statements of the West Bloomfield Parks and Recreation Commission for the year ended December 31, 2003. As part of the audit, we offer the following comments for your consideration:

GASB 34 – New Reporting Model - Reminder

As you are aware, the Governmental Accounting Standards Board issued a new pronouncement that will change the presentation of governmental financial statements. The format of the Parks and Recreation's financial statements presented for the year ended December 31, 2003 represent the final year under the old reporting model. The Parks and Recreation will need to fully implement GASB 34 for the year beginning January 1, 2004.

The implementation of this new pronouncement is a significant undertaking and we have met with the Management team to discuss how to proceed. The Management team is currently compiling the necessary information that will be needed for the implementation. We will continue to advise the Parks and Recreation on key issues and assist in any way possible to ensure a smooth transition.

Status of Items Mentioned in Prior Year

Bank Reconciliations

In response to prior year's letter, the Management team has successfully implemented improvements to its bank reconciliation procedures. There is one remaining area that could further enhance the bank reconciliation process at the Parks and Recreation. This improvement relates to standardizing the method for handling recurring reconciling items on the monthly bank reconciliations. This item has been discussed in detail with the Management team.

Grant Files and Recordkeeping

We would like to commend the Parks and Recreation on the improvements made during the year to the SMART grant files and recordkeeping process. As the grant activity grows, we encourage the Parks and Recreation to continue maintaining the files in a standardized format to ensure documentation to support expenditures incurred is not misplaced.

Grant Files and Recordkeeping (Continued)

The Parks and Recreation receives the majority of its grant funding via pass-through grants from West Bloomfield Township, yet the Parks and Recreation does not always receive grant agreements from the Township for each award. It is important that these documents are obtained and utilized to ensure compliance with grant requirements, familiarity with award amounts, and awareness of the period of availability to ensure that projects are completed within the required timetable. We recommend that the Parks and Recreation request signed grant agreements from the Township for each grant that it is awarded.

Accounting System

Over the past year and a half, the accounting staff have become more familiar with the Bi-tech accounting system and have begun to use some of the advanced features of the software that have increased efficiencies in the department. We would like to recognize the accounting staffs' efforts and encourage them to continue to implement new procedures that will further increase efficiency and effectiveness.

Additional Items

We identified numerous items during the course of our audit that we would like to share with you that relate to routine accounting issues, none of which represent material internal control weaknesses or policy-related issues. These items include the following:

- ◆ Maintain employee payroll documentation - authorization for direct deposit and pension contributions, etc.
- ◆ Receive communication from the Township regarding investment rollovers and earnings
- ◆ Maintain and review agreement with concession provider
- ◆ Monitor FAC cash receipt procedures
- ◆ Organize general journal entry files and documentation
- ◆ Investigate whether Rec-Ware can generate daily cash receipt reports that identify program year

The items above were covered in detail during our exit conference with the Management team, who plan to address the items over the next year.

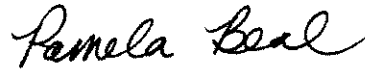
We would like to thank the Parks and Recreation personnel for the courtesy and assistance extended to us during the audit. We would be happy to answer any questions or concerns you have regarding the annual financial report and the above comments and recommendations at your convenience.

Very truly yours,

PLANTE & MORAN, PLLC

A handwritten signature in black ink that reads "Leslie J. Pulver". The signature is written in a cursive style with a large initial 'L'.

Leslie J. Pulver

A handwritten signature in black ink that reads "Pamela Beal". The signature is written in a cursive style with a large initial 'P'.

Pamela J. Beal